



ADDENDUM No. 2

AUGUST 1, 2016

Solicitation Title: Independent Auditing Services

Solicitation No.: RFQ No. 39-15-16 Opening Date: Monday, August 15, 2016 by 3:30PM

Attention all potential bidders:

- ☒ **MUST Addendum:** Read carefully and follow all instructions. Information included in this Addendum will have a material impact on the submittal for this solicitation. All "MUST" addenda are considered a matter of responsiveness. "MUST" addenda must be returned with your Bid submittal or acknowledged on Form "A-5" attached to this addendum. Failure of a Submitter to acknowledge the addenda shall be cause for rejection of the bid.

To all prospective bidders, please note the following changes and clarifications:

1. The deadline for submittal for proposals has been extended as follows:

RESPONSE SUBMISSION DATE AND TIME:

~~MONDAY, AUGUST 8, 2016~~ **MONDAY, AUGUST 15, 2016 BY NO LATER THAN 3:30PM (LOCAL TIME)**

2. Item C of Section 3.2 SCOPE OF SERVICES is being revised as follows:

C. Special Audits - The contracted CPA firm will perform Special Audits for:

- (a) Landfill Trust.
- ~~(b) GOB Grants from Miami-Dade County~~
- ~~(c) CITT for the ½ Cent Transportation Surtax~~

Request for Information Questions/Clarification:

Q.1 "Is there a mandatory rotation of auditors after the 5 year contract?"

A.1 A rotation of auditors is not mandatory. The City will issue a new Solicitation once this contract either expires or is terminated.

Q.2 "How long has the current auditor been performing this audit?"

A.2 The current auditor has been performing this audit since being awarded in January of 2011.

- Q.3** “Is the incumbent auditor precluded from submitting a bid?”
- A.3** No, the incumbent auditor is not precluded from submitting a bid.
- Q.4** “Page 12 of 34, item b) Respondent must submit proof that it is independent and duly licensed under Florida Statute..... et al). Would providing a copy of our license as a registered CPA firm from the State of Florida, Department of Business and Professional Regulations suffice?”
- A.4** The minimum qualifications required to be eligible for consideration under this Solicitation are spelled out in Section 2.4 of the Special Conditions.
- Q.5** “Page 12 of 34, item c) Respondent must submit proof that it has performed governmental financial audits for a minimum of 5 years. Would submitting a listing of governmental clients which we provide these services to suffice?”
- A.5** All references must be submitted using Contract Form A-14 and providing current contact information for each client.
- Q.6** “Page 12 of 34, item d) Respondent must submit proof that it has conducted federal and state single audits for at least 3 governmental entities within the past 5 years. Would submitting a listing of governmental clients which we provide these services to suffice.”
- A.6** See A.5
- Q.7** “Can you provide a copy of the last auditor’s contract?”
- A.7** A copy of the last auditor’s contract is attached (see “Attachment A”).
- Q.8** “When should proposing firms expect to hear the results of the proposals (shortlisting, etc.)?”
- A.8** Each Respondent will be notified of the evaluation results following conclusion of the Evaluation Committee’s review.
- Q.9** “What are the names/titles of the individuals who compose the “evaluation/selection committee?””
- A.9** An Evaluation Committee has not been appointed for this Solicitation as of the issuance date of this addendum.
- Q.10** “What were the audit fees for fiscal year ending September 30, 2015 and 2014?”
- A.10** The fees for fiscal years ending September 30, 2015 and September 30, 2014 were \$109,600 and \$107,580 respectively.
- Q.11** “We noticed that in the RFQ on page 19 it states that there are 3 special audits to be performed including a “CITT for the ½ Cent Transportation Surtax”. It was our understanding that this was no longer required.”

- A.11** This special audit is being removed from the Solicitation (see Paragraph 1 above). The CITT audit is done by Miami-Dade County.
- Q.12** “In fiscal year 2015, were there any additional services provided by the current auditors? If so, what were they and what were the fees?”
- A.12** The audit of the Landfill Closure Escrow account and the City of North Miami Community Redevelopment Agency (CRA) audit. Moving forward, the CRA audit will be a separately bid audit. The overall fees listed under the above Paragraph A.10 were inclusive of these audits.
- Q.13** “Fees for 2015 audit.”
- A.13** See above Paragraph A.10.
- Q.14** “Can you provide the special audit reports for FYE 9/30/2015”?
- A.14** See “Attachment B”.
- Q.15** “How has the City addressed the deficiencies noted in the 9/30/2015 CAFR?”
- A.15** See the City’s responses to the findings noted in the CAFR. The City’s CAFR can be found on the City’s website linked below:
<http://www.northmiamifl.gov/departments/finance/cafr.aspx>
- Q.16** “Can you provide a copy of the auditor’s most recent engagement letter?”
- A.16** See “Attachment A”.
- Q.17** “Can you provide the audit reports for the last three fiscal years along with corresponding management letter?”
- A.17** The City’s CAFR can be found on the City’s website linked below:
<http://www.northmiamifl.gov/departments/finance/cafr.aspx>
- Q.18** “How much were the fees for each year of the last contract period and extension years (for the last auditors, or, at a minimum, for the last 5 years?”
- A.18** The fees for the last contract period and extension years were as follows: \$109,600 for Fiscal Year 2015, \$107,580 for Fiscal Year 2014, and \$107,995 for Fiscal Year 2013.
- Q.19** “Were any additional services provided by the previous audit firm? If so, what were the services and related fees?”
- A.19** Yes, the audit of the Landfill Closure Escrow account. In FY 2015, the auditor also performed the audit of the City’s CRA. The overall fees listed under the above Paragraph A.10 were inclusive of these audits. The CRA audit is now a separately bid audit.
- Q.20** “Do you expect additional services to be performed by the auditors for the 2016 fiscal year end? If so, what services?”
- A.20** Yes, the audit of the Landfill Closure Escrow account. In addition, the City may also request the awarded firm to provide additional services on an as-needed

basis.

Q.21 “How long were the auditors in the field?”

A.21 Approximately three (3) months.

Q.22 “What was the time frame (month(s)) the auditors were in the field?”

A.22 See above Paragraph A.21.

Q.23 “What were the auditor’s total hours?”

A.23 This information is not currently available to the City.

Q.24 “Does the organization expect a significant increase or decrease in federal funding that will impact reporting requirements?”

A.24 No, the City does not expect a significant increase or decrease in federal funding that would impact reporting requirements.

Q.25 “Does the organization expect a significant increase or decrease in state funding that will impact reporting requirements?”

A.25 No, the City does not expect a significant increase or decrease in state funding that would impact reporting requirements.

Q.26 “Will staff or auditors be responsible for preparing the CAFR, financial statements and notes, thereto?”

A.26 The City will prepare the CAFR, Financial Statements and Notes. Auditors are expected to review and provide value through best practice recommendations.

Q.27 “Will staff or auditors be responsible for duplicating and binding the CAFR?”

A.27 The City is responsible for binding and reproduction of the CAFR.

Q.28 “When will the books be closed and when will the auditors be able to get the final trial balance?”

A.28 The City expects a final trial balance (with accruals, etc.) by the start of January 2017.

Q.29 “Do you expect any major changes in revenues, expenditures, assets or liabilities that may affect the audit and/or risk?”

A.29 No, the City does not expect any major changes in revenues, expenditures, assets or liabilities that may affect the audit and/or risk.

Q.30 “Can the professional liability insurance be reduced to \$1 million or less to be more in line with anticipated contract fees?”

A.30 Yes, Professional liability limits of \$1 million will be accepted.

Q.31 “Can the worker’s compensation insurance requirement be in accordance with Florida Statutes?”

A.31 The Worker’s Compensation “Statutory” is as required by Florida Statutes. Regarding Employer’s Liability, the minimum limit will remain at \$1.0 million per

City standards.

Q.32 “Would you please provide a copy of the latest special audit that was performed for the Landfill Trust (page #4 on page 27 of the RFQ)?”

A.32 See “Attachment B”.

Q.33 “Are the Pension Trust funds included or excluded as a component of the scope of the annual audit examination?”

A.33 Pension Trust funds are excluded from the scope.

Q.34 “Is the Community Re-development Agency (CRA) included or excluded within the scope of the annual audit examination?”

A.34 The CRA is excluded from the scope.

Q.35 “Please provide the following information: Prior year audit fees and estimated hours to complete the audit.

A.35 Audit fees for the prior year were \$109,600. The estimated hours to complete the audit are currently unavailable to the City.

Q.36 “Please provide the following information: Prior year audit reports or indicate where to find them for the Landfill Trust, GOB Grants, and CITT ½ cent transportation surtax audits.

A.36 A copy of the Landfill audit is included as Attachment B of this addendum. Audits for GOB Grants and CITT are not applicable (see Paragraph 1).

Q.37 “Please provide the following information: Annual budgets for federal and single audits.

A.37 Federal and single audits are not budgeted separately, they are included as part of the entire annual audit budget.

Q.38 What is the budget for this audit?

A.38 The budget is \$102,000.

Q.39 Do you have an anticipated deadline for the audit to be completed?

A.39 March 31, 2017

Q.40 Who were your previous auditors? How long had they been performing the audit?

A.40 Our previous auditor was Harvey, Covington & Thomas, LLC. They have been performing this audit since being awarded on January 2011.

Q.41 Can you please provide a copy of the audit report?

A.41 The document can be found on the City’s website linked below:

<http://www.northmiamifl.gov/departments/finance/cafr.aspx>

Q.42 Can you please provide a copy of your last two financial statements?

A.42 The document can be found on the City’s website linked below:

Q.43 What were your prior contract fees for each of the past three (3) years?

A.43 See above Paragraph A.18

Q.44 Are your prior year auditors included or excluded from the current RFP process?

A.44 See above Paragraph A.3

Q.45 What do you like about the service provided by your current auditing firm? What don't you like?

A.45 Pursuant to Section 2.15 of this Solicitation, anyone may submit questions or requests for clarification regarding the Solicitation and the scope of work contained therein. This question does not address any areas encompassed by this Solicitation.

Q.46 Are there any special qualities you are looking for in the firm you select?

A.46 The City is looking for a firm that is competent, experienced and meets the qualification requirements spelled out under Section 2.4 of this Solicitation.

Q.47 How many auditors and how many weeks were the prior auditors on site, for interim and year-end field work?

A.47 Approximately two (2) weeks for interim and up to seven (7) weeks for year-end. Approximately nine (9) weeks of fieldwork.

Q.48 Have any obstacles been encountered that prevented fieldwork from occurring as agreed to by the City and prior auditor?

A.48 None.

Q.49 Were there any major changes in the engagement requested in the RFQ compared to last year's engagement?

A.49 None.

Q.50 What were the approximate hours that the prior year auditors accrued for the entire audit? If unavailable, please let us know the number of weeks the prior year auditors were in the field?

A.50 Approximate hours are currently unavailable to the City. The auditors were in the field for approximately nine (9) weeks in total.

Q.51 How many audit adjustments were proposed by the auditors?

A.51 Approximately ten AJE's.

Q.52 How many journal entries were proposed by the prior auditor and how many findings did they issue?

A.52 Approximately ten JE's and five "findings" were noted.

Q.53 How many major programs are usually tested each year for the Single audit?

A.53 One major program.

Q.54 Did the auditor's perform any other service?

A.54 See above Paragraph A.12

Q.55 What assistance will be provided to the auditors by City staff (i.e. preparation of the various reconciliations, schedules, confirmations, drafting financial statements and the related footnotes, etc.)?

A.55 Yes, the City will provide trial balances, supporting schedules, reconciliations and CAFR including footnotes. We will prepare requested confirmations and auditors will independently send them out.

Q.56 Any changes in your operations, funding, personnel, etc. in 2015-2016 period compared to 2014-2015?

A.56 There have been several administrative changes since 2014-2015, including a new City Manager and new Finance Director. Moreover, there will also be additional staff available in the Finance Department this year compared to prior years.

For any other questions, clarification can be found in the specifications.

All other terms, conditions and specifications remain unchanged for this solicitation.

End of Addendum

Addendum 2 - Attachment A

**CITY OF NORTH MIAMI
SECOND RENEWAL TO
PROFESSIONAL SERVICES AGREEMENT
(RFP #04-10-11)**

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT ("Second Amendment") is made and entered into this ____ day of 4/9/2015, 2015, by and between the **City of North Miami**, a Florida municipal corporation, located at 776 NE 125th Street, North Miami, FL ("City") and **HCT Certified Public Accountants & Consultant, LLC**, f/k/a, **Harvey, Covington & Thomas of South Florida, LLC**, a limited liability company organized and existing under the laws of the State of Florida, having its principal office at 3816 Hollywood Boulevard, Suite 203, Hollywood, FL 33021 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties", and each may individually be referred to as a "Party".

RECITALS

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11 Independent Auditing Services* ("RFP"), to obtain proposals from qualified Certified Public Accounting firms to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP ("Services"); and

WHEREAS, the City Manager established the City's Audit Committee ("Committee") to review proposals and assist the City in selecting an independent Certified Public Accounting firm, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on January 4, 2011, the Committee completed its review and ranking of all the respondents and selected Contractor as the most responsive responsible provider of Services, whose qualifications, references and fee schedule demonstrated to be the most advantageous to the City; and

WHEREAS, on January 11, 2011, the City Council passed and adopted Resolution Number 2011-1, approving the selection of the Contractor and authorized the City Manager and City Attorney to negotiate and execute an agreement, in accordance with RFP requirements; and

WHEREAS, on January 26, 2011, the Parties executed an agreement for the provision of Services ("Agreement"), for a term commencing on October 1, 2010, through September 30, 2013 ("Initial Term"); and

WHEREAS, following the Initial Term, the City retained the option of renewing the Agreement in writing for an additional three (3) years, on a year-by-year basis; and

WHEREAS, on January 11, 2014, the Parties amended the Agreement allowing the City to exercise the option of the first renewal period commencing January 11, 2014 through January 10, 2015 ("First Option Period"); and

WHEREAS, the City Manager finds that entering into this Second Amendment exercising the second option to renew the Agreement for a period of one (1) year for the continued provision of required Services, is in the best interest of the City.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

1. The Parties hereby acknowledge Contractor's merger from Harvey, Covington & Thomas of South Florida, LLC, to HCT Certified Public Accountants & Consultant, LLC, as filed with the State of Florida, Division of Corporations.
2. The Parties agree that this Second Amendment is incorporated into and made part of the Agreement dated, January 26, 2011 (attached hereto as "Exhibit A"); as amended by the First Renewal, dated January 11, 2014 (attached hereto as "Exhibit B"); and as authorized by Resolution No. R-2011-1, dated January 11, 2011 (attached hereto as "Exhibit C").
3. The Parties hereby amend the Agreement, as amended, to extend the provision of Services to the City for an additional period of one (1) year, commencing January 11, 2015, through January 10, 2016 ("Second Option Period").
4. The City shall pay Contractor the amount not to exceed One Hundred Nine Thousand Dollars (\$109,600.00), as full compensation for the provision of Services throughout the Second Option Period, in accordance with Contractor's fee schedule dated October 21, 2014 (attached hereto as Exhibit "D").
5. The City Manager shall have the right to terminate this Agreement, in his sole discretion at any time, with or without cause, upon thirty (30) days written notice to Contractor. The City shall not be liable to Contractor for any compensation, or for any consequential or incidental damages or loss of profits.
 - 5.1 The City shall pay Contractor compensation for Services rendered up to the effective date of such termination. Contractor shall stop Services on the date specified in the written notice and agrees that termination shall not release Contractor from any obligations accruing prior to the effective date of termination.
6. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the Parties.
7. This Second Amendment shall be binding upon the Parties hereto, their successors in interest, heirs, executors, assigns and personal representatives.
8. The Contractor warrants that any and all work, materials, services or equipment that may reasonably be inferred from the Contract Documents (as defined in the Agreement, as subsequently amended) as being required to produce the intended result, will be supplied by the Contractor at its own cost, whether or not specifically called for.

9. In the event of any dispute arising under or related to this Second Amendment, the prevailing Party shall be entitled to recover all actual attorney fees, costs and expenses incurred by it in connection with that dispute and/or the enforcement of this Second Amendment, including all such actual attorney fees, costs and expenses at all judicial levels, including appeal, until such dispute is resolved with finality.

10. All other terms of the Agreement, as subsequently amended, which have not been modified by this Second Amendment, shall remain in full force and effect.

11. This Second Amendment may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:

Corporate Secretary or Witness:

HCT Certified Public Accountants & Consultant,
LLC, f/k/a, Harvey, Covington & Thomas of South
Florida, LLC, a Florida limited liability company,
“**Contractor**”:

DocuSigned by:
By: Ramona Sutton
3FF8AF1B5CAA4C1...
Print Name: Ramona Sutton
Date: 4/9/2015

DocuSigned by:
By: Roderick Harvey
38C8B2B71CEC427...
Print Name: Roderick Harvey
Date: 4/9/2015

ATTEST:

DocuSigned by:
By: Michael A. Etienne
2C7010B72EE8414...
Michael A. Etienne
City Clerk

City of North Miami, a Florida municipal
Corporation,
“**City**”:
DocuSigned by:
By: Aleem Ghany
AD8C42C3AF4E44B...
Aleem A. Ghany
City Manager

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

DocuSigned by:
By: Regine Monestime
9287BB91BC7E413...
Regine M. Monestime
City Attorney

Exhibit "A"

**CITY OF NORTH MIAMI
PROFESSIONAL SERVICES AGREEMENT
(RFP #04-10-11)**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 26th day of January, 2011 by and between the **City of North Miami**, a Florida municipal corporation, located at 776 NE 125th Street, North Miami, FL ("City") and **Harvey, Covington & Thomas of South Florida, LLC**, a limited liability company organized and existing under the laws of the State of Florida, having its principal office at 3816 Hollywood Boulevard, Suite 203, Hollywood, FL 33021 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties".

RECITALS

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11, Independent Auditing Services* ("RFP") to obtain proposals from qualified Certified Public Accounting firms to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP ("Services"); and

WHEREAS, the City Manager established the City's Audit Committee to review proposals and assist the City in selecting an independent Certified Public Accounting firm, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on January 4, 2011, the City's Audit Committee completed its review and ranking of all respondents and selected Contractor as the most responsive and responsible provider of Services, whose qualifications, references and cost demonstrated to be the most advantageous to the City; and

WHEREAS, on January 11, 2011, the City Council approved the selection of the Contractor by Resolution and authorized the City Attorney and City Manager to negotiate and execute an agreement, in accordance with the RFP.

NOW THEREFORE, in consideration of the mutual terms and conditions set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

ARTICLE 1 - RECITALS

1.1 The recitals are true and correct and are hereby incorporated into and made a part of this Agreement.

ARTICLE 2 - CONTRACT DOCUMENTS

2.1 The following documents are incorporated into and made part of this Agreement (collectively referred to as the "Contract Documents"):

2.1.1 City of North Miami Request for Proposal #04-10-11, Independent Auditing Services, attached hereto by reference;

- 2.1.2 Contractor's response to the RFP ("Proposal"), attached hereto by reference;
- 2.1.3 Contractor's Fee Schedule, attached hereto as "Attachment A"; and
- 2.1.4 Any additional documents which are required to be submitted by Contractor pursuant to Contract Documents.

2.2 In the event of any conflict between the Contract Documents or any ambiguity or missing specification or instruction, the following priority is hereby established:

- 2.2.1 Specific written direction from the City Manager or City Manager's designee.
- 2.2.2 This Agreement.
- 2.2.3 The RFP.

2.3 The Parties agree that Contractor is responsible for clarifying any ambiguity, conflict, discrepancy, omission, or other error found in the RFP prior to Contractor submitting its Proposal or the right to clarify same shall be waived.

ARTICLE 3 - TIME FOR PERFORMANCE

3.1 The initial term of this Agreement shall be three (3) years commencing on October 1, 2010, and ending on September 30, 2012 ("Initial Term").

3.2 Following the Initial Term, the City shall have the option to renew this Agreement in writing for an additional three (3) years, on a year-by-year basis.

3.3 Contractor agrees that the performance of Services shall be pursued on schedule, diligently and uninterrupted at a rate of progress which will ensure full completion within the agreed term. Failure to render Services timely shall be regarded as a material breach of this Agreement, subject to the appropriate remedies available at law.

3.4 When, in the opinion of the City, reasonable grounds for uncertainty exist with respect to the Contractor's ability to perform Services or any portion thereof, the City may request that the Contractor, within a reasonable time frame set forth in the City's request, provide adequate assurances to the City in writing, of Contractor's ability to perform in accordance with terms of this Agreement. In the event that the Contractor fails to provide the City the requested assurances within the prescribed time frame, the City may treat such failure as a repudiation or breach of this Agreement, and resort to any remedy for breach provided for in this Agreement or at law.

ARTICLE 4 - COMPENSATION

4.1 For the provision of Services, Contractor shall be paid for each fiscal year, the amounts indicated in Attachment A. Total compensation for the entire term of the Agreement, including the stated options to renew, shall not exceed Six Hundred Twenty Three Thousand Dollars and no/100 cents (\$623,600.00). Funding for this Agreement is contingent on the availability of funds and the Agreement is subject to amendment or termination due to lack of funds or a reduction of funds, upon ten (10) days written notice to Contractor. *Six hundred*

4.2 The City shall pay Contractor within forty-five (45) days of receipt of invoice the total shown to be due on such invoice, provided the City has accepted the Services.

ARTICLE 5 - CONTRACTOR'S RESPONSIBILITIES

5.1 As an inducement for the City to enter into this Agreement, Contractor has represented an expertise in the provision of Services on similar public entity auditing services. In reliance upon those representations, the City has entered into this Agreement with Contractor for the provision of Services.

5.2 Contractor shall supervise and direct the work competently and efficiently, devoting such attention and applying Contractor's best skill, attention and expertise. Contractor shall be solely responsible for and have control over the means, methods, techniques, sequences and procedures of the work and shall ensure that the finished Services accurately comply with the Contract Documents, state and federal laws.

5.3 Pursuant to Contract Documents, Contractor shall comply with the City's Local Preference Code requirements by assigning no less than ten percent (10%) of the total contract amount, on an annual basis, to the firm of Arland Pierre-Canel, CPA, LLC.

5.4 Contractor shall perform the Services in accordance with that degree of care and skill ordinarily exercised by reputable members of its profession.

ARTICLE 6 - SCOPE OF SERVICES

6.1 The Contractor shall provide all required labor, supervision, materials, equipment, tools, transportation, services and expertise necessary for the completion of Services, under the terms, conditions and specifications contained in the Contract Documents.

6.2 Contractor represents and warrants to the City that: (i) Contractor possesses all qualifications, licenses and expertise required for the provision of Services, with personnel fully licensed by the State of Florida; (ii) Contractor is not delinquent in the payment of any sums due the City, including payment of permit fees, local business taxes, or in the performance of any obligations to the City; (iii) all personnel assigned to perform work shall be, at all times during the term hereof, fully qualified and trained to perform the tasks assigned to each; (iv) the Services will be performed in the manner and at such times and locations as described by the City for the budgeted amount; and (v) the person executing this Agreement on behalf of Contractor is duly authorized to execute same and fully bind Contractor as a party to this Agreement.

6.3 Contractor agrees and understands that: (i) any subcontractors used by Contractor shall be paid by Contractor and not paid directly by the City; and (ii) any and all liabilities regarding payment to or use of subcontractors for any of the work related to this Agreement shall be borne solely by Contractor.

6.4 Services conducted onsite shall be performed between the hours of 8:00 am and 5:00 pm on weekdays, except for holidays observed by the City.

ARTICLE 7 - INDEPENDENT CONTRACTOR

7.1 Contractor has been procured and is being engaged by the City as an independent contractor, and not as an agent or employee of the City. Accordingly, Contractor shall not attain, nor be entitled to, any rights or benefits under the Civil Service or Pension Ordinances of the City, nor any rights generally afforded classified or unclassified employees of the City. Contractor further understands that Florida workers' compensation benefits available to employees of the City, are not available to Contractor. Therefore, Contractor agrees to provide workers' compensation insurance for any employee or agent of Contractor rendering services to the City under this Agreement.

ARTICLE 8 - CONFLICTS OF INTEREST

8.1 Contractor represents and warrants to the City that it has not employed or retained any person or company employed by the City to solicit or secure this Agreement and that it has not offered to pay, paid, or agreed to pay any person any fee, commission, percentage, brokerage fee, or gift of any kind contingent upon or in connection with, the award of this Agreement.

8.2 Contractor covenants that no person under its employ who presently exercises any functions or responsibilities on behalf of the City in connection with this Agreement has any personal financial interest, directly or indirectly, with contractors or vendors providing professional construction services on projects assigned to the Contractor, except as fully disclosed and approved by the City. Contractor further covenants that, in the performance of this Agreement, no person having such conflicting interest shall be employed.

ARTICLE 9 - DEFAULT

9.1 If Contractor fails to comply with any term or condition of this Agreement, or fails to perform any of its obligations hereunder, then Contractor shall be in default. The City shall have the right to terminate this Agreement, in the event Contractor fails to cure a default within five (5) business days after receiving Notice of Default. Contractor understands and agrees that termination of this Agreement under this section shall not release Contractor from any obligations accruing prior to the effective date of termination.

ARTICLE 10 - CITY'S TERMINATION RIGHTS

10.1 The City shall have the right to terminate this Agreement, in its sole discretion at any time, with or without cause, upon ten (10) days written notice to Contractor. In such event, the City shall pay Contractor compensation for Services rendered prior to the effective date of termination. The City shall not be liable to Contractor for any additional compensation, or for any consequential or incidental damages.

ARTICLE 11 - NOTICES

11.1 All notices, demands, correspondence and communications between the City and Contractor shall be deemed sufficiently given under the terms of this Agreement when dispatched by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To Contractor: Harvey, Covington & Thomas, LLC
Attn: Roderick Harvey, CPA
3816 Hollywood Blvd., Suite 203

extension is in effect. Contractor shall not continue to perform the Services required by this Agreement unless all required insurance remains in full force and effect.

14.2 All insurance policies required of the Contractor shall be written by a company with a Best's rating of B+ or better and duly authorized and licensed to do business in the State of Florida and be executed by duly licensed managers upon whom service of process may be made in Miami-Dade County, Florida.

ARTICLE 15 - FORCE MAJEURE

15.1 A "Force Majeure Event" shall mean an act of God, act of governmental body or military authority, fire, explosion, power failure, flood, storm, hurricane, sink hole, other natural disasters, epidemic, riot or civil disturbance, war or terrorism, sabotage, insurrection, blockade, or embargo. In the event that either Party is delayed in the performance of any act or obligation pursuant to or required by the Agreement by reason of a Force Majeure Event, the time for required completion of such act or obligation shall be extended by the number of days equal to the total number of days, if any, that such Party is actually delayed by such Force Majeure Event. The Party seeking delay in performance shall give notice to the other Party specifying the anticipated duration of the delay, and if such delay shall extend beyond the duration specified in such notice, additional notice shall be repeated no less than monthly so long as such delay due to a Force Majeure Event continues. Any Party seeking delay in performance due to a Force Majeure Event shall use its best efforts to rectify any condition causing such delay and shall cooperate with the other Party to overcome any delay that has resulted.

ARTICLE 16 - PUBLIC RECORDS

16.1 Contractor understands that the public shall have access, at all reasonable times, to all documents and information pertaining to City contracts, subject to the provisions of Chapter 119, Florida Statutes, and agrees to allow access by the City and the public to all documents subject to disclosure under applicable law.

ARTICLE 17 - MISCELLANEOUS PROVISIONS

17.1 No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

17.2 All representations, indemnifications, warranties and guarantees made in, required by, or given in accordance with this Agreement, as well as all continuing obligations indicated in the Contract Documents, shall survive final payment, completion and acceptance of the Services and termination or completion of the Agreement.

17.3 Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect or limitation of its use.

(954)
Hollywood, FL 33021
Phone: (904) 966-4435
Fax: (904) 962-7747

To City: (954)
City of North Miami
Attn: City Manager
776 N.E. 125th Street
North Miami, Florida 33161

With a copy to: City Attorney
City of North Miami
776 N.E. 125th Street
North Miami, Florida 33161

11.2 Either Party may at any time designate a different address and/or contact person by giving notice as provided above to the other Party. Such notices shall be deemed given upon receipt by the addressee.

11.3 In the event there is a change of address and the moving Party fails to provide notice to the other Party, then notice sent as provided in this Article shall constitute adequate notice.

ARTICLE 12 - INDEMNIFICATION

12.1 The Contractor shall defend, indemnify and hold harmless the City, its officers and employees from and against any and all claims, costs, losses and damages including, but not limited to reasonable attorney's fees, caused by the negligent acts or omissions of the Contractor, its officers, directors, agents, partners, subcontractors, employees and managers in the performance of the Services under this Agreement.

12.2 Nothing contained in this Agreement is any way intended to be a waiver of the limitation placed upon the City's liability as set forth in Chapter 768, Florida Statutes. Additionally, the City does not waive sovereign immunity, and no claim or award against the City shall include attorney's fees, investigative costs or pre-judgment interest.

ARTICLE 13 - WARRANTY

13.1 The Contractor warrants that Services, whether furnished by the Contractor, its subcontractors or suppliers will comply with the Contract Documents.

ARTICLE 14 - INSURANCE & BONDS

14.1 Prior to the execution of this Agreement, the Contractor shall submit certificate(s) of insurance evidencing the required coverage and specifically providing that the City is an additional named insured. Contractor shall not commence Services until after Contractor has obtained all of the minimum insurance described in the RFP, and the policies of such insurance detailing the provisions of coverage have been received and approved by the City. In the event the insurance certificate provided indicates that the insurance shall terminate and lapse during the term of this Agreement, Contractor shall furnish, at least thirty (30) calendar days prior to expiration of the date of the insurance, a renewed certificate of insurance as proof that equal and like coverage and

17.4 This Agreement constitutes the sole and entire agreement between the Parties. No modification or amendments to this Agreement shall be binding on either Party unless in writing and signed by both Parties.

17.5 This Agreement shall be construed and enforced according to the laws of the State of Florida. Venue in any proceedings between the Parties shall be in Miami-Dade County, Florida.

17.6 The City reserves the right to audit the records of the Contractor covered by this Agreement at any time during the provision of Services and for a period of three years after final payment is made under this Agreement.

17.7 The Contractor agrees to comply with and observe all applicable federal, state, and local laws, rules, regulations, codes, and ordinances, as they may be amended from time to time.

17.8 The Contractor agrees that it shall not discriminate as to race, sex, color, creed, national origin, or disability, in connection with its performance under this Agreement.

17.9 All other terms and conditions set forth in the RFP which have not been modified by this Agreement, shall remain in full force and effect.

17.10 The professional Services to be provided by Contractor pursuant to this Agreement shall be non-exclusive, and nothing herein shall preclude the City from engaging other firms to perform Services.

17.11 This Agreement shall be binding upon the Parties herein, their heirs, executors, legal representatives, successors and assigns.

17.12 This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:

Harvey, Covington & Thomas, LLC, a Florida limited liability company:

Corporate Secretary or Witness:

"Contractor"

By: _____

By: 

Print Name: _____

Print Name: FREDERICK HARVEY CPA, LNA

Title: _____

Title: PARTNER

Date: _____

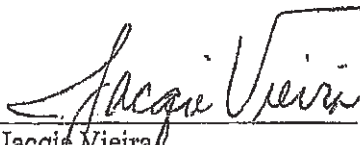
Date: 1/26/2011

ATTEST:


City of North Miami, a Florida municipal Corporation:

"City"

By: _____

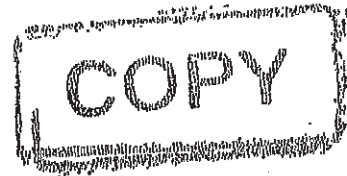

Jacquie Vieira
Deputy City Clerk

By: _____


Russell Benford
City Manager

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:


V. Lynn Whitfield
City Attorney



4. Special Audits

- a. Landfill Trust - The proposer shall provide a firm fixed price for completing the Single Audit of the City according to the following schedule;

Fiscal Year Ending	Price
September 30, 2010	\$ <u>800</u>
September 30, 2011	\$ <u>800</u>
September 30, 2012	\$ <u>900</u>
September 30, 2013	\$ <u>900</u>
September 30, 2014	\$ <u>1,000</u>
September 30, 2015	\$ <u>1,000</u>

- b. GOB Grants from Miami-Dade County - The proposer shall provide a firm fixed price for completing the GOB Grants from Miami-Dade County Audit of the City according to the following schedule:

Fiscal Year Ending	Price
September 30, 2010	\$ <u>2,800</u>
September 30, 2011	\$ <u>2,800</u>
September 30, 2012	\$ <u>3,000</u>
September 30, 2013	\$ <u>3,000</u>
September 30, 2014	\$ <u>3,200</u>
September 30, 2015	\$ <u>3,200</u>

- c. CITT for the 1.2 Cent Transportation Surtax - The proposer shall provide a firm fixed price for completing the CITT for the 1.2 Cent Transportation Surtax Audit of the City according to the following schedule:

Fiscal Year Ending	Price
September 30, 2010	\$ <u>2,000</u>
September 30, 2011	\$ <u>2,000</u>
September 30, 2012	\$ <u>2,200</u>
September 30, 2013	\$ <u>2,200</u>
September 30, 2014	\$ <u>2,400</u>
September 20, 2015	\$ <u>2,400</u>

Harvey Covington

COPY

Attachment A

FEE SCHEDULE:

1. Annual Examination - The proposer shall provide a firm fixed price for completing the annual examination of the financial statements of the City according to the following schedule:

Fiscal Year Ending	Price
September 30, 2010	\$ <u>79,000</u>
September 30, 2011	\$ <u>80,000</u>
September 30, 2012	\$ <u>82,000</u>
September 30, 2013	\$ <u>84,000</u>
September 30, 2014	\$ <u>85,000</u>
September 30, 2015	\$ <u>87,000</u>

2. Single Audit - The proposer shall provide a firm fixed price for completing the Single Audit of the City according to the following schedule:

Fiscal Year Ending	Price
September 30, 2010	\$ <u>7,000</u>
September 30, 2011	\$ <u>7,000</u>
September 30, 2012	\$ <u>7,500</u>
September 30, 2013	\$ <u>7,500</u>
September 30, 2014	\$ <u>8,000</u>
September 30, 2015	\$ <u>8,000</u>

- ~~3. Federal Single Audit - The proposer shall provide a firm fixed price for completing the Single Audit of the City according to the following schedule:~~

Fiscal Year Ending	Price
September 30, 2010	\$ <u>7,000</u>
September 30, 2011	\$ <u>7,000</u>
September 30, 2012	\$ <u>7,500</u>
September 30, 2013	\$ <u>7,500</u>
September 30, 2014	\$ <u>8,000</u>
September 30, 2015	\$ <u>8,000</u>

5. Additional Services - It is anticipated that the proposer would use staff with a variety of skill and experience levels in providing any additional services contemplated in Section 3.0. of the RFP. Therefore, firms shall provide a comprehensive hourly rate for each type of staff, using the generic guide below. The firm may propose a separate schedule for each type of additional service offered by the proposer. It is expected that the City would authorize additional services on an individual basis. The City would jointly determine with the Firm a not-to-exceed price for each project, using the contractually established rates.

ILLUSTRATIVE GUIDE FOR PROPOSING HOURLY PRICE FOR ADDITIONAL SERVICES				
LEVEL	EXPERIENCE	HOURLY BILLING RATE	QUALIFICATIONS	RESPONSIBILITIES/SPECIALTY
Partner	15 Gov't exp.	\$225	CPA	Overall Supervision
Manager	25 Gov't exp.	\$200	CPA	Daily Management
Senior	10 Gov't Exp.	\$150	10 yrs Gov't Exp.	Perform major tasks
Junior	5 Gov't Exp.	\$125	5 yrs Gov't Exp.	Assist with major task
Paraprofessional	Governmental	\$ 50	Governmental	Assist with tasks
Specialists	Specialist	\$250	Specialist	Employ Special skills

Proposal Certification

I hereby certify that I am submitting the enclosed information as my company's cost proposal by virtue of executing and returning this FEE SCHEDULE. I further certify full, complete and unconditional acceptance of the contents of the Request for Proposals, and all appendices and the contents of any Addenda released thereto.

If selected, I agree to execute any required truth-in-negotiations certificate stating that the rates of compensation and other factual unit costs supporting the compensation are accurate, complete and current at the time of contracting.

PROPOSER (firm name): Harvey Covington & Thomas

STREET ADDRESS: 3816 Hollywood Blvd, Ste 203

CITY & STATE: Hollywood, FL 33021

PRINT NAME OF AUTHORIZED REPRESENTATIVE: Roderick Harvey

SIGNATURE OF AUTHORIZED REPRESENTATIVE: 

TITLE: Firm Partner

DATE: November 23, 2010

Exhibit "B"

**CITY OF NORTH MIAMI
FIRST RENEWAL TO
PROFESSIONAL SERVICES AGREEMENT
(RFP #04-10-11)**

THIS FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT ("First Amendment") is made and entered into this 11th day of January, 2014, by and between the ~~City of North Miami, a Florida municipal corporation, located at 776 NE 125th~~ Street, North Miami, FL ("City") and **Harvey, Covington & Thomas of South Florida, L.L.C.**, a limited liability company organized and existing under the laws of the State of Florida, having its principal office at 3816 Hollywood Boulevard, Suite 203, Hollywood, FL 33021 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties".

RECITALS

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11 Independent Auditing Services* ("RFP"); to obtain proposals from qualified Certified Public Accounting firms to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP ("Services"); and

WHEREAS, the City Manager established the City's Audit Committee ("Committee") to review proposals and assist the City in selecting an independent Certified Public Accounting firm, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on January 4, 2011, the Committee completed its review and ranking of all the respondents and selected Contractor as the most responsive and responsible provider of Services, whose qualifications, references and fee schedule demonstrated to be the most advantageous to the City; and

WHEREAS, on January 11, 2011, the City Council passed and adopted Resolution Number 2011-1, approving the selection of the Contractor and authorized the City Manager and City Attorney to negotiate and execute an agreement, in accordance with RFP requirements; and

WHEREAS, on January 26, 2011, the Parties executed an agreement for the provision of Services ("Agreement"), for a term commencing on October 1, 2010, through September 30, 2013 ("Initial Term"); and

WHEREAS, following the Initial Term, the City retained the option of renewing the Agreement in writing for an additional three (3) years, on a year-by-year basis; and

WHEREAS, the City Manager finds that entering into this First Amendment exercising the first option to renew the Agreement for a period of one (1) year for the continued provision of required Services, is in the best interest of the City.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

1. The Parties agree that this First Amendment is incorporated into and made part of the Agreement executed by the Parties on April 12, 2011, attached hereto as "Exhibit A".
2. The Parties hereby amend the Agreement to extend the provision of Services to the City for an additional period of one (1) year, commencing January 11, 2014, through January 10, 2015 ("First Option Period").
3. The City shall pay Contractor the amount not to exceed One Hundred Five Thousand Dollars (\$105,000.00), as full compensation for the provision of Services throughout the First Option Period, in accordance with Contractor's fee schedule attached hereto as "Attachment A".
4. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the Parties.
5. This First Amendment shall be binding upon the Parties hereto, their successors in interest, heirs, executors, assigns and personal representatives.
6. The Contractor warrants that any and all work, materials, services or equipment that may reasonably be inferred from the RFP as being required to produce the intended result, will be supplied by the Contractor at its own cost, whether or not specifically called for.
7. In the event of any dispute arising under or related to this First Amendment, the prevailing party shall be entitled to recover all actual attorney fees, costs and expenses incurred by it in connection with that dispute and/or the enforcement of this First Amendment, including all such actual attorney fees, costs and expenses at all judicial levels, including appeal, until such dispute is resolved with finality.
8. All other terms of the Agreement which have not been modified by this First Amendment, shall remain in full force and effect.
9. This First Amendment may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:

Corporate Secretary or Witness:

Harvey, Covington & Thomas of South Florida,
L.L.C., a Florida limited liability company:
"Contractor"

By: 

Print Name: ADAM SEGAL

Date: NOVEMBER 12, 2013

By: 

Print Name: Rod Harvey CPA, CVA

Date: NOVEMBER 12, 2013

ATTEST:

By: 

Michael A. Etienne
City Clerk

City of North Miami, a Florida municipal
Corporation:
"City"

By: 

Stephen E. Johnson
City Manager

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: 

Regine M. Monestime
City Attorney

RESOLUTION NO. R-2011-1

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, APPROVING THE SELECTION OF HARVEY, COVINGTON & THOMAS, LLC, TO PROVIDE THE CITY WITH INDEPENDENT AUDITING SERVICES IN ACCORDANCE WITH REQUEST FOR PROPOSAL #04-10-11 AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY ATTORNEY TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR THE PROVISION OF STATED SERVICES, IN ACCORDANCE WITH STATE LAW; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.

WHEREAS, on October 26, 2010, the Mayor and City Council of the City of North Miami ("City") authorized the City Manager to establish an Audit Committee to assist the City in selecting an independent Certified Public Accounting firm to conduct the City's annual financial audit, in accordance with Section 218.391, Florida Statutes; and

WHEREAS, on October 27, 2010, the City advertised *Request for Proposal #04-10-11 Independent Auditing Services* ("RFP"), requesting proposals from qualified firms of Certified Public Accountants to conduct financial auditing services in accordance with the conditions, terms and specifications contained in the RFP ("Services"); and

WHEREAS, on January 4, 2011, the City's Audit Committee completed its review and ranking of all respondents and selected Harvey Covington & Thomas, LLC, as the most responsive and responsible provider of Services, whose qualifications, references and cost demonstrated to be the most advantageous to the City; and

WHEREAS, in accordance with the Audit Committee's findings, the City Manager respectfully requests that the Mayor and City Council approve the selection of Harvey Covington & Thomas, LLC, for the provision of the aforementioned Services in an amount not to exceed Six Hundred Twenty-Three Thousand Six Hundred Dollars and No Cents (\$623,600.00), for a contractual period not to exceed six (6) years.

NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

Section 1. Selection Approval and Authority of City Manager and City Attorney. The Mayor and City Council of the City of North Miami hereby approve the selection of Harvey, Covington & Thomas, LLC, to provide the City with Independent Auditing Services in accordance with Request for Proposal #04-10-11, and further authorizes the City Manager and City Attorney to negotiate and execute an agreement for the provision of stated services, in accordance with State law.

Section 2. Effective Date. This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by a 5-0 vote of the Mayor and City Council of the City of North Miami, Florida, this 11 day of January, 2011.



ANDRE D. PIERRE, ESQ.
MAYOR

ATTEST:



JACQUE VIEIRA
ACTING CITY CLERK

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:



V. LYNN WHITFIELD
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: Councilwoman Steril

Seconded by: Vice Mayor Galvin

Vote:

Mayor Andre D. Pierre, Esq.	<u>X</u>	(Yes)	<u> </u>	(No)
Vice Mayor Scott Galvin	<u>X</u>	(Yes)	<u> </u>	(No)
Councilman Michael R. Blynn, Esq.	<u>X</u>	(Yes)	<u> </u>	(No)
Councilman Jean R. Marcellus	<u>X</u>	(Yes)	<u> </u>	(No)
Councilwoman Marie Erlande Steril	<u>X</u>	(Yes)	<u> </u>	(No)

HCT

October 21, 2014

Marie Frantz Jean-Pharuns CFM
CDBG Administrator
City of North Miami
12340 Northeast 8th Avenue
North Miami, Florida 33161

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the City of North Miami (the "City").

We will apply the agreed-upon procedures which the City has specified, listed in the attached schedule, to test fiscal compliance of Community Development Block Grant (CDBG) program participants as of (for the period ended) December 31, 2014. This engagement is solely to assist the City in assessing fiscal compliance of its CDBG program subrecipients. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an examination, we will not express an opinion on the subrecipients compliance with CDBG program. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the City and the Department of Housing and Urban Development, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Roderick Harvey, CPA, CVA is the engagement partner and is responsible for supervising the engagement and signing the report.

At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the fiscal monitoring checklist in accordance with the terms of the CDBG program grant agreement. Management is responsible for management decisions and functions, and for designating a

qualified management-level employee to oversee the fiscal monitoring that we provide. Management is responsible for evaluating adequacy and results of those services and accepting responsibility for such services. Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

We estimate that our fees for these services will be \$1,100 per site visit. Our invoices for these fees will be rendered upon the completion of each site visit and presentation of applicable report and are payable on presentation.

Additional services will be billed at the discounted hourly rates below:

- Managing Partner – \$ 250.00 per hour
- Director – \$ 200.00 per hour
- Manager – \$ 200.00 per hour
- Senior – \$ 150.00 per hour
- Staff – \$ 100.00 per hour
- Clerical – \$ 40.00 per hour

Audit Completion. Ten (10) copies of each audit report, management letter, and other applicable reports will be supplied. *Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2013 peer review report accompanies this letter.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,

Roderick Harvey, CPA, CVA

RESPONSE:

This letter correctly sets forth the understanding of the City of North Miami.


Authorized Signature

Title *City Manager*

Date *Dec 30, 2014*

FLORIDA DEPARTMENT OF STATE
DIVISION OF CORPORATIONS



Detail by Entity Name

Florida Limited Liability Company

HARVEY, COVINGTON & THOMAS OF SOUTH FLORIDA L.L.C.

Filing Information

Document Number	L04000022858
FEI/EIN Number	650984330
Date Filed	03/15/2004
State	FL
Status	INACTIVE
Last Event	CORPORATE MERGER
Event Date Filed	04/29/2014
Event Effective Date	04/29/2014

Principal Address

3816 HOLLYWOOD BLVD
SUITE 203
HOLLYWOOD, FL 33021

Changed: 02/16/2007

Mailing Address

3816 HOLLYWOOD BLVD
SUITE 203
HOLLYWOOD, FL 33021

Changed: 02/16/2007

Registered Agent Name & Address

HARVEY, RODERICK MGR MBR
3816 HOLLYWOOD BOULEVARD
SUITE 203
HOLLYWOOD, FL 33021

Name Changed: 02/16/2007

Address Changed: 02/16/2007

Authorized Person(s) Detail

Name & Address

Title Managing Member, 100 %

HARVEY, RODERICK, Sr.
3816 HOLLYWOOD BLVD
ATTN- Roderick Harvey, CPA, CVA
SUITE 203
HOLLYWOOD, FL 33021

Annual Reports

Report Year	Filed Date
2012	01/04/2012
2013	04/28/2013
2014	03/14/2014

Document Images

03/14/2014 -- ANNUAL REPORT	View image in PDF format
04/28/2013 -- ANNUAL REPORT	View image in PDF format
07/19/2012 --	View image in PDF format
01/04/2012 -- ANNUAL REPORT	View image in PDF format
01/12/2011 -- ANNUAL REPORT	View image in PDF format
02/23/2010 -- ANNUAL REPORT	View image in PDF format
08/03/2009 -- CORLCMMRES	View image in PDF format
02/19/2009 -- ANNUAL REPORT	View image in PDF format
04/17/2008 -- ANNUAL REPORT	View image in PDF format
02/16/2007 -- ANNUAL REPORT	View image in PDF format
05/02/2006 -- LC Amendment and Name Change	View image in PDF format
03/03/2006 -- ANNUAL REPORT	View image in PDF format
03/25/2005 -- Off/Dir Resignation	View image in PDF format
01/26/2005 -- ANNUAL REPORT	View image in PDF format
03/15/2004 -- Florida Limited Liabilites	View image in PDF format

CITY OF NORTH MIAMI, FLORIDA

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF RESTRICTED ASSETS
ACTIVITY OF THE CLOSURE ESCROW ACCOUNT OF THE LANDFILL CLOSURE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015



HCT Certified Public Accountants and Consultants, LLC
3816 Hollywood Blvd
Suite 203
Hollywood, Florida 33021
Phone (954) 966-4435
Fax (954) 962-7747

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE ESCROW
ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor, City Council and City Manager
City of North Miami, Florida

Report on the Financial Statements

We have audited the accompanying schedule of restricted assets activity of the closure escrow account of the landfill closure special revenue fund (the Schedule) of the City of North Miami, Florida (the City), as of and for the fiscal year ended September 30, 2015, and the related notes to the schedule as listed in the table of contents.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable presentation of the Schedule in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

West Palm Beach
Phone (561) 655-2664

Miami
Phone (305) 331-8768

Hollywood
Phone (954) 966-4435

Opinion

In our opinion, the Schedule referred to above present fairly, in all material respects, the balance of and activity in the closure escrow account of the landfill closure special revenue fund as of and for the year ended September 30, 2015, in conformity with rule 62-701.630(5)(c) of the Florida administrative Code.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The Schedule is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

HCT Certified Public Accountants and Consultants, LLC

Hollywood, Florida

June 22, 2016

CITY OF NORTH MIAMI, FLORIDA
SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE ESCROW
ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

Restricted Assets:

Cash in bank (Money Market Fund at City National Bank)	\$ 11,149,456
Total	<u>\$ 11,149,456</u>
Beginning Balance, October 1, 2014	\$ 12,833,798
Receipts	-
Interest	39,714
Other	(74,074)
Withdrawals	<u>(1,649,982)</u>
Ending Balance, September 30, 2015	<u>\$ 11,149,456</u>

CITY OF NORTH MIAMI, FLORIDA
NOTES TO SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE
ESCROW ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of North Miami, Florida (the City), located in Miami-Dade County, was incorporated in 1926. The City operates under a Council-Manager form of government and derives its authority from the Florida Constitution and Florida Statutes.

The landfill closure special revenue fund accounts for the restricted assets activity used to fund landfill closure costs. Within this fund, deposits are made to the fund's restricted assets account for the purpose of complying with the Florida Department of Environmental Protection's escrow requirements of Rule 62-701.630(5)(c), Florida Administrative Code. The rule requires that once the landfill ceases to receive waste, the closure escrow account should be able to fully fund the facility's closing costs.

Closure Escrow Account

On December 22, 2004, the City received \$31,027,000 in grant funds from Miami-Dade County to be used towards financing the remediation and closure costs of the "Munisport" landfill site. The funds were deposited into the Munisport landfill closure account.

The schedule of restricted cash activity is only intended to present the activity of restricted assets segregated for the purpose of complying with Rule 62-701.630(5)(c), Florida Administrative Code. The schedule of restricted assets was prepared on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles.

All funds on deposit are restricted for landfill closing.

Long-term Care Escrow Account

The City opened a second escrow account for the purpose of funding the landfill's long term care costs. This account will remain dormant until the time of facility closing where it will be funded in accordance with Rule 62-701.630(5)(c), Florida Administrative Code. Therefore, as of September 30, 2015, the balance in this escrow account is \$0.

NOTE 2 - RESTRICTED CASH

The City, for accounting and investment purposes, maintains restricted asset accounts. The restricted assets are composed of cash in the bank in an interest bearing money market account and an FDIC insurance note exposure over \$250,000.

CITY OF NORTH MIAMI, FLORIDA
NOTES TO SCHEDULE OF RESTRICTED ASSETS ACTIVITY OF THE CLOSURE
ESCROW ACCOUNT OF THE LANDFILL CLOSURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015

NOTE 3 - COMPLIANCE WITH RULE 62-701.630(5)(c), FLORIDA ADMINISTRATIVE CODE

As provided by Rule 62-710.630(5)(c), Florida Administrative Code, the City is required to annually submit to the Florida Department of Environmental Protection an audit of the landfill closure account with a list of all deposits and withdrawals made. For the year ended September 30, 2015, withdrawals of \$1,649,982 were made from the account and no additional deposits, other than interest received of \$39,714 were required.

CITY OF NORTH MIAMI, FLORIDA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the City of North Miami
North Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of North Miami, Florida, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City of North Miami, Florida's basic financial statements, and have issued our report thereon dated June 22, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of North Miami, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of North Miami, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of North Miami, Florida's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of North Miami, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HCT Certified Public Accountants and Consultants, LLC

Hollywood, Florida

June 22, 2016